



ETHIOPIA TODAY

Newsletter of the Embassy of the Federal Democratic Republic of Ethiopia to Canada

VOL.1. No.10 January 2015

Ethiopia Hosts AU Summit

The 24th Ordinary Session of the African Union Head of States and Government Summit was concluded on January 31 in Addis Ababa with the adoption of a series of decisions and declarations on the activities of the African Union. Held under the theme of “Year of Women’s Empowerment and Development towards Africa’s Agenda 2063,” the Summit gave due consideration to the centrality and urgency of promotion of gender equality and women’s empowerment in Africa. The theme in itself is indicative of the indispensability of women as a driving force for the realization of the vision and action plans for a secure, integrated, people-centered, prosperous Africa at peace with itself. The Summit’s adoption of key decisions and declarations emphasized a Pan-African political and economic solidarity embodying an Africa that will epitomize the shared wellbeing and dignity of its people and its Diasporas.

The opening ceremony was marked by statements delivered by Dr Dlamini Zuma, Chairperson of the African Union Commission; Mr. Ban Ki-Moon, Secretary General of the United Nations; and Mr. Mohammed Ould Abdelaziz, outgoing Chairperson of the African Union. Others who addressed the summit included Mr. Mahmoud Abbas, President of the State of Palestine and Chairperson of the Palestine Liberation

Organization; Dr Nabil El Arabi, Secretary-General of the League of Arab States; and Mr. Sam Kutesa, Minister of Foreign Affairs of the Republic of Uganda and President of the 69th United Nations General Assembly. During the Summit, Robert Mugabe, President of Zimbabwe, was elected as the new Chairperson of the African Union.

Ambassador Berhane Meets Canadian State Minister of Foreign Affairs



State Minister of Foreign Affairs, Ambassador Berhane Gebre Christos met Canadian State Minister of Ministry of Foreign Affairs Lynne Yelich on the sidelines of the African Union Summit in Addis Ababa on Friday 30 January 2015.

Ambassador Berhane appreciated Canadian government's support which Ethiopia is using it as an input for its development and stated that Ethiopia and Canada have long standing and all round relationships. Ambassador Berhane also explained that Ethiopia has been striving to mobilize domestic resources and development cooperation with international partners to change the livelihood of its people. He said the government has formulated right policies, strategies and programs that bring multi dimensional development in the country. He underlined that Canada and Ethiopia have golden opportunities to work in cooperation in the areas of agriculture, trade, aviation, investment and natural resource management.

Lynne Yelich commended Ethiopia's outstanding commitment and leadership to bring sustainable socioeconomic and political development in the country. She also appreciated its role in creating peace and stability in the region in particular and Africa in general. The State Minister added that Canada has been cooperating with Ethiopia in the areas of agriculture, food security, maternal health, nutrition and other social affairs. She pointed out that Ethiopia is a country with which Canada has given due attention and priority to cooperate in all areas of socioeconomic and political areas. The State Minister assured that the Canadian government would continue its support

to Ethiopia in the areas of capacity building, human development, technical and development cooperation.

Ethio-Canada 50 Anniversary Relations to be a Celebrated Whole Year



The 50th anniversary of Canada-Ethiopia Diplomatic relations celebrations kicked off at the Addis Ababa University in the Institute of Ethiopian Studies (IES) on January 10, 2015.

Remarking on the event Canadian Ambassador to Ethiopia David Usher said: "Canada maintained its relations with Ethiopia regardless of the ups and downs in the political scenario of the entire world. We need to keep up such relations for mutual benefit."

Speaking on the occasion, Ambassador Taye Atske-Selassie Director General for American Affairs, said, Canada has been doing well with Ethiopia for quite a long period of time in assisting the nation. Currently, the relations have shifted from one focusing on humanitarian aid to one that puts emphasis on investment opportunities.

"The government is looking forward to various means of intensifying such trend. The Ethiopian

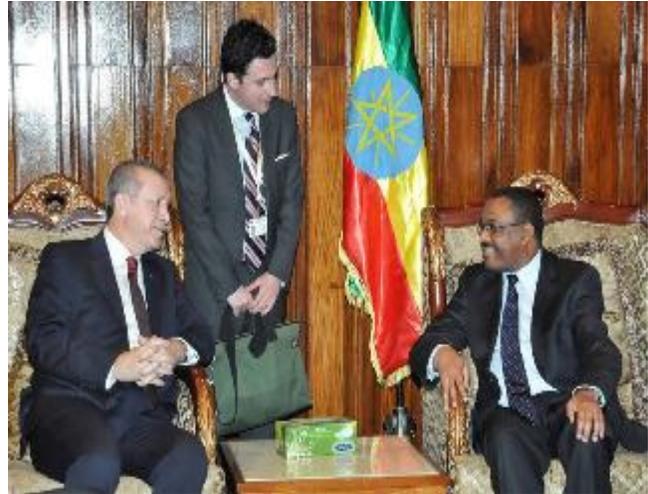
Air Lines has begun a direct flight from Toronto, Canada to Addis. Canadian investors are showing willingness to invest in the mining and other sectors. These are some of the points that show the bilateral relations are growing, but we should work hard to scale up the amount." Ambassador Taye said.

The guest speaker of the day was former Canadian Ambassador to Ethiopia David MacDonald, who was here from 1986 to 1988. In his speech entitled 'Canada and Ethiopia: 50 Years of Happenings, Highlights and Hopes', he said the nation is endowed with old history and a variety of cultures and traditions. I happened to be here in Ethiopia as Ambassador in the sad years of drought that hit the country and the then government was not willing to reveal it to the outside world. It was then the Canadian government assigned me to coordinate the huge and challenging humanitarian aid programme and I think I discharged my responsibilities with my colleagues and partners overcoming the immense challenges."

"Canada and Ethiopia have many things in common, such as the federal system of government that both countries are guided by. This year in Ethiopia being election year, I think we should share our experiences and we should also work together in the tourism sector", Macdonald added.

According to an Embassy Press Release, the celebrations will be marked with several events over the whole of 2015, including exhibitions, musical concerts and high level officials' visits here. (EH)

President Recep Tayyip Erdogan of Turkey visits Ethiopia



Turkey's President Recep Tayyip Erdogan arrived in Addis Ababa, late on January 21, 2015 on the first stage of an official visit to countries in the Horn of Africa. President Erdogan was accompanied by his wife and daughter, Emine and Summeye Erdogan, as well as ministers including Deputy Prime Minister Numan Kurtuand, a delegation of officials and businessmen. The President was received by Ethiopian Prime Minister Hailemariam Desalegn and Osman Riza Yavuzalp, the Turkish ambassador in Ethiopia. On January 22, President Erdogan held meetings with President Dr. Mulatu Teshome and Prime Minister Hailemariam Desalegn as well as other officials. President Mulatu was Ethiopia's former ambassador to Ankara.

According to the Turkish Ambassador to Ethiopia, Osman Riza Yavuzalp, Turkish investment in Ethiopia stands at US\$3 billion. President Erdogan's three-day visit to the Horn of Africa, which will include a visit to Djibouti where he will hold talks with President Ismail Omar Guelleh, is part of Turkey's efforts to strengthen trade, economic and investment ties in the region.

According to Turkish government data, the volume of trade between Ethiopia and Turkey reached US\$422 million in 2013, and in the first 11 months of 2014 it was US\$360 million, seven percent down on the previous period in 2013. A statement from the Turkish Presidential Palace said Turkey had “increasing economic, trade and investment ties with the countries in the region especially with Ethiopia.” It added that President Recep Tayyip Erdogan’s visit aimed to further strengthen and deepen the continued growth of these business ties as well as long-standing relations with Ethiopia and the region.

President Recep Tayyip Erdogan conferred with Prime Minister Hailemariam at the National Palace on January 22. The discussions focused on bilateral, regional and global issues of common interest. The two sides agreed to work closely to expand trade links from the current US\$400 million to half a billion dollars a year. Prime Minister Hailemariam welcomed the growing trade between the two countries and urged Turkish investors to invest in labor intensive areas such as textile production, garments and footwear. He also explained the vast potential for energy generation in Ethiopia, in hydropower, geothermal and solar energy. He assured the delegation of Ethiopia’s readiness to work with the Government of Turkey in providing guarantees for power purchase agreements. He said the President’s visit offered an opportune moment to attract further Turkish investment in Ethiopia; and the two sides agreed to work exclusively through Foreign and Economic Board of Turkey and avoid using other parallel institutions to organize investment. In regional matters, President Erdogan appreciated Ethiopia’s role in stabilizing the region; and Prime Minister Hailemariam commended Turkey’s role in the reconstruction of Somalia. He indicated

Ethiopia’s wish to work closely with Turkey. The two sides agreed to work within the framework of IGAD.

During the visit, President Erdogan received an honorary Doctorate from Addis Ababa University on January 22. The award was bestowed on the President for his contribution and support for people struggling to achieve democracy and freedom and for his firm stance on African issues. Dr. Admasu Tsegaye , President of Addis Ababa University, said President Erdogan had played a significant role in fighting terrorism, in hosting Syrian refugees and the reconstruction of Somalia. He added that President Erdogan had also helped Turkish investors to invest in Ethiopia, thereby creating jobs and the transfer of technology. President Erdogan, expressing his pleasure at the award, said, he would work towards strengthening the age-old links between the two countries dating back to the 16th century.

News

Dr. Tedros Meets the Executive Vice President of U.S. Chamber of Commerce



Dr. Tedros met with Mr. Myron A. Brilliant, Executive Vice-President and Head of International Affairs of the

U.S. Chamber of Commerce on January 22. Mr. Brilliant gave an account of the preparations to open the U.S. Chamber of Commerce in Ethiopia and strengthen partnerships to build the capacity of Ethiopia's Chamber of Commerce. He discussed new mechanisms to help position Ethiopia in the U.S. market and U.S. investment in Ethiopia, which would help utilize the opportunities offered by the African Growth and Opportunity Act (AGOA).

Dr. Tedros said the growing ties between the U.S. and Africa in the economic and business arena was welcome and would create sustainable years of partnership. He noted the success of the recent U.S.-Africa Summit and the successful business fora Ethiopia had conducted recently in Houston and Los Angeles. The two sides also discussed Ethiopia's current interest in a national image-building campaign for branding activities and possible opportunities to showcase Ethiopia. Mr. Brilliant said the experiences of the U.S. Chamber of Commerce could support this and provide partners to build up the image of Ethiopia around the world. The discussion also covered the need to widen various trade and investment areas. Dr. Tedros noted that U.S. investments could provide jobs in Ethiopia while Ethiopian Airlines had also created jobs for the Americans with its orders of Boeing aircraft. He said AGOA was helping to attract international interest in investing in Ethiopia.

Poverty in Ethiopia Down 33 Percent Since 2000



Agricultural growth was the main driver of poverty reduction in Ethiopia since 2000, according to the World Bank Group's latest Poverty Assessment.

Poverty in Ethiopia fell from 44 percent in 2000 to 30 percent in 2011, which translated to a 33 percent reduction in the share of people living in poverty. This decline was underpinned by high and consistent economic growth.

Since 2005, agricultural growth has been responsible for a reduction in poverty of 4 percent a year, suggesting that the agricultural growth strategy pursued by the Government of Ethiopia has paid off. High food prices and good weather ensured that increased use of fertilizer was translated into higher incomes for poor farmers with access to markets.

Government spending on basic services and effective rural safety nets has also helped the least well-off in Ethiopia. The Productive Safety Net Program alone has pushed 1.5 million people out of poverty.

"Although Ethiopia started from a low base, its investment in pro-poor sectors and agriculture has paid-off and led to tremendous achievements in economic growth and poverty reduction, which in turn have helped improve the economic prospects of its citizens," says Guang Zhe Chen, World Bank Group Country Director for Ethiopia.

The pace of poverty reduction in Ethiopia has been impressive, especially when compared with other African countries; only Uganda has had a higher annual poverty reduction during the same period. Health, education, and living standards have also improved, with undernourishment down from 75 percent to 35 percent since 1990 and infant and child mortality rates falling considerably since 2000. Ethiopia is one of the most equal countries in the world, and has remained so during this period of economic development and poverty reduction.

“Ethiopia is often unfairly seen as emblematic of poverty and deprivation—but the progress it has seen over the past decade should help change that,” says Ana Revenga, Senior Director for Poverty at the World Bank Group. “If this

progress continues over the next decade, Ethiopia can propel itself and most importantly, its people into a new era of prosperity.” (World Bank)

Business and Economy

Ethio-Turkey Business Forum Held (Jan 23, 2015)

The Ethio-Turkey Business Forum was held at the Sheraton Addis on January 22. Addressing the Forum, Solomon Afework, President of the Ethiopian Chamber of Commerce and Sectoral Associations, said that over the past year the visit made by First Lady, Roman Tesfaye and leading Ethiopian business men and women, and the holding of the second Ethio-Turkey Business Forum were clear manifestations of strong ties between the two countries. Mr. Omer Chihad Vardan, Chair of Foreign and Economic Board of Turkey (DIEC) told the Forum that since 2003 the volume of trade between Ethiopia and Turkey had grown seven fold. He said during the same period the number of Turkish companies active in Ethiopia grew from one to thirty eight. They had created thirty two thousand jobs. Mr. Vardan said that with their investment totalling three billion dollars, Turkish companies were the biggest private sector employers in the country. Ethiopia had become the headquarters of Turkish investment in Africa. Fistum Arega, Director-General of the Ethiopian Investment Commission identified Ethiopia’s low labor costs as a real incentive for Turkish investment in textiles and garments. He also drew attention to Ethiopia’s 90 million plus population and the importance of its domestic market, which is being further expanded through the growing integration of the region. He

mentioned the potential for manufacturing of construction materials as another area for Turkish business, pointing out that Ethiopia currently relied on import of products such as ceramics and paints.

Niyat Zybecki, Minister of Economy of Turkey, emphasized the importance of conducting frequent fora to give new impetus to the growing ties between Ethiopian and Turkey. He said a similar forum is planned for Istanbul, within the next two months. He also welcomed the Ethiopian government’s commitment to remove impediments to Turkish investors involving the exchange rate, taxes and other bureaucratic hurdles.

Qatari Investors to Launch 500 mln USD Projects

President Mulatu Teshome stated that the government will consolidate its support to investors who are keen to invest in Ethiopia.

During his talks with a Qatari business group led by Sheikh Fahad Ahmed M.T Al Thani on 17 January 2015, the President said Qatari investors would benefit a lot by engaging in the Ethiopian market due to the countries’ geographic proximity.

Sheikh Fahad Al Thani on his part told the president that he had visited various investment sites in Ethiopia and has plans to launch 4 investment projects with 500 million US dollars. The plan is to open a cement factory in Dire Dawa, a sugar factory in Bahir Dar

town and animal fattening plant in Harar as well as anti-malaria and cosmetics factory.

According to ENA, the delegation leader has requested the government to provide the necessary support for the realization of the projects.

Allana Partner ICL Launches "Potash for Growth" Program in Ethiopia



Allana Potash Corp. (AAA) ("Allana" or the "Company") commends ICL for its recent announcement initiating its "Potash for Growth" program in Ethiopia.

The program is designed to unlock the potential of agriculture in Ethiopia by promoting balanced fertilization among Ethiopia's small and private farmers in order to increase their agricultural productivity and economic benefits from farming.

Allana was one of the first companies to realize the importance of various programs conducted by the Agriculture Transformation Agency of Ethiopia. The Company joined the ATA program in 2013 by making a significant financial contribution for its operating budget. Following ICL's initial investment in Allana, they also made an important decision to support the ATA program as well.

Allana and ICL have provided 600,000 US dollars so far to support the various projects of the ATA.

Farhad Abasov, Allana's President & CEO, commented, "The Potash for Growth program initiated by ICL in conjunction with its partners (including Allana) in Ethiopia is an important

undertaking in advancing the rapid development of modern agriculture in the country. We are glad to see such a serious commitment from ICL to the development and growth of agriculture and fertilizer sectors in Ethiopia. Allana was one of the first companies to contribute to the Agricultural Transformation Agency two years ago, and Allana continued with its financial contribution to this program in 2014. Not only is this vital for the long-term expansion of Ethiopia's farming sector and the country's critical food security goals, but also for the health and welfare of all of Ethiopian citizens as it will improve crop quality and yields, as well as boost employment in the supporting agri-business and potash mining sectors. As Ethiopian and East African agriculture becomes more modernized and advanced, the use of fertilizers will increase and provide Allana's Danakhil potash project with natural market demand growth for its products. We are pleased to be a part of this agri-renaissance and plan to further support the education of the region's farmers in proper crop nutrient application methodologies."

The Potash for Growth program launched by ICL, in collaboration with its Ethiopian partners, including Allana and the ATA (Agriculture Transformation Agency of Ethiopia), includes a range of activities to increase awareness by Ethiopian farmers of the benefits of potassium fertilizers.

ICL launched a similar Potash for Life project in India last year, creating nearly 600 demonstration sites in nine Indian states to demonstrate the benefits of balanced fertilizer use. After only one farming season, the three-year project has already achieved major progress in providing farmers with science-based evidence of the benefits of using potash fertilizers in Indian agriculture, as well as

the profitability of using potash, which has been tested on more than 20 various crops. (Marketwired via)

New flights from Addis to Goma widen the Ethiopian's Africa network



Ethiopian Airlines plans to launch a new service to Goma, Eastern Congo from the 10th of February, initially offering three times a week.

The airline plans to fly from Addis Ababa via Entebbe to Goma, using a B737-800.

The new flights add yet another destination in Africa to the growing network Ethiopian serves and are seen as a key element for Star Alliance staying in the lead with the most destinations across the continent.

Heineken Inaugurates Ethiopia's Biggest Brewery

HEINEKEN has officially inaugurated its new brewery at a greenfield site in Kilinto on the outskirts of Addis Ababa on January 16, 2015.

In a ceremony attended by 300 guests including Prime Minister Hailemariam Desalegn, Charlene de Carvalho - Heineken and hosted by Jean-François van Boxmeer, Chairman of the Executive Board and CEO of HEINEKEN, the state of the art brewery was unveiled.

With a total capacity of 1.5m hectolitres, the Kilinto brewery is already producing the recently launched Walia® beer together with Bedele® and Harar® beer brands. It is planned that the site will also brew other brands including the flagship

Heineken® beer. Employing around 280 people, drawn from the local workforce, the new facility complements the already established Bedele and Harar breweries; which were acquired from the Ethiopian government in 2011. The EUR 110mln new brewery is part of a total EUR 310mln investment in the country by HEINEKEN since 2011. With this enhanced production footprint, HEINEKEN Ethiopia will be well placed to further develop its portfolio of high quality beers that will meet growing demand in the country.

Ethiopian Owns B787 Dreamliner Full Flight Simulator

Continuing with its aviation technology leadership in Africa, the Ethiopian, the largest and most profitable airline of the continent, is pleased to announce that it has acquired the first ever B-787 Dreamliner full flight simulator in Africa.

The installation and build-up of the full flight Simulator is in progress at the Ethiopian main Hub in Addis Ababa and the first pilot training in the B-787 flight simulator will start in March, 2015.

The Ethiopian was the first airline in the world outside Japan to receive and operate the B-787 Dreamliner in August 2012. Currently, the airline is the largest operator of the B-787 in Africa.

CEO of Ethiopian Airlines Group, Tewolde Gebremariam, said "We are continually investing in developing our training capability. With the installation of the B-787 Flight Simulator, we will be fully self-sufficient in providing in-house training for our pilots on the B-787 aircraft, which has become our core fleet on our mid and long range routes.